

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

67

W-02205A
Gadsden Water Company, Inc
P. O. Box 519
Somerton AZ 85350

ANNUAL REPORT
RECEIVED

MAR 28 2005

AZ Corporation Commission
Director Of Utilities

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Gadsden Water Company, Inc.

Mailing Address P.O. Box 519

(Street)

Somerton

(City)

Arizona

(State)

85350

(Zip)

(928) 344-4222

Telephone No. (Include Area Code)

(928) 726-3999

Fax No. (Include Area Code)

(928) 376-8038

Pager/Cell No. (Include Area Code)

Email Address LGDEERE@EARTHLINK.NET

Local Office Mailing Address P.O. Box 519

(Street)

Somerton

(City)

Arizona

(State)

85350

(Zip)

(928) 344-4222

Local Office Telephone No. (Include Area Code)

(928) 726-3999

Fax No. (Include Area Code)

(928) 376-8038

Pager/Cell No. (Include Area Code)

Email Address LGDEERE@EARTHLINK.NET

MANAGEMENT INFORMATION

Management Contact: Jimmy A. Deere

(Name)

President

(Title)

14781 S. Avenue B

(Street)

Yuma

(City)

Arizona

(State)

85364

(Zip)

(928) 344-4222

Telephone No. (Include Area Code)

(928) 726-3999

Fax No. (Include Area Code)

(928) 376-8038

Pager/Cell No. (Include Area Code)

Email Address LGDEERE@EARTHLINK.NET

On Site Manager: Jimmy A. Deere

(Name)

14781 S. Avenue B

(Street)

Yuma

(City)

Arizona

(State)

85364

(Zip)

(928) 344-4222

Telephone No. (Include Area Code)

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(928) 376-8038

Pager/Cell No. (Include Area Code)

Email Address LGDEERE@EARTHLINK.NET

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Jimmy A. Deere

(Name)

14781 S. Avenue B

(Street)

Yuma

(City)

Arizona

(State)

85364

(Zip)

(928) 344-4222

Telephone No. (Include Area Code)

(928) 726-3999

Fax No. (Include Area Code)

(928) 376-8038

Pager/Cell No. (Include Area Code)

Attorney: None

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

COMPANY NAME Gadsden Water Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,221	1,221	Ø
302	Franchises			
303	Land and Land Rights	3,500	Ø	3,500
304	Structures and Improvements	971	970	1
307	Wells and Springs	12,754	10,515	2,239
311	Pumping Equipment	4,593	326	4,267
320	Water Treatment Equipment	3,749	3,050	699
330	Distribution Reservoirs and Standpipes	12,514	4,877	7,637
331	Transmission and Distribution Mains	9,373	9,357	16
333	Services			
334	Meters and Meter Installations	4,329	2,945	1,384
335	Hydrants	639	219	420
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	10,035	3,841	6,194
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	574	446	128
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	64,252	37,767	26,485

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Gadsden Water Company, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2) **
301	Organization	1,221	20%	0
302	Franchises			
303	Land and Land Rights	3,500	N/A	0
304	Structures and Improvements	971	5%	0
307	Wells and Springs	12,754	5%	638
311	Pumping Equipment	4,593	5%	230
320	Water Treatment Equipment	3,749	5%	60
330	Distribution Reservoirs and Standpipes	12,514	5%	587
331	Transmission and Distribution Mains	9,373	5%	0
333	Services			
334	Meters and Meter Installations	4,329	5%	193
335	Hydrants	639	5%	32
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	10,035	5%	502
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	574	5%	19
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	64,252		2,261

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

**** This amount differs from calculation due to fully depreciated assets and assets acquired or disposed of in the current year.**

COMPANY NAME Gadsden Water Company, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 11,833	\$ 9,477
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 11,833	\$ 9,477
	FIXED ASSETS		
101	Utility Plant in Service	\$ 64,252	\$ 64,252
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(35,506)	(37,767)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 28,746	\$ 26,485
	TOTAL ASSETS	\$ 40,579	\$ 35,962

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Gadsden Water Company, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	241	238
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	33,491	33,980
	TOTAL CURRENT LIABILITIES	\$ 33,732	\$ 34,218
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 33,732	\$ 34,218
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 50,000	\$ 50,000
211	Paid in Capital in Excess of Par Value Treasury stock	(42,373)	(42,373)
215	Retained Earnings	(780)	(5,883)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 6,847	\$ 1,744
	TOTAL LIABILITIES AND CAPITAL	\$ 40,579	\$ 35,962

COMPANY NAME Gadsden Water Company, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 39,925	\$ 39,372
460	Unmetered Water Revenue		
474	Other Water Revenues	5,405	4,931
	TOTAL REVENUES	\$ 45,330	\$ 44,303
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	5,954	4,680
618	Chemicals		
620	Repairs and Maintenance	1,187	511
621	Office Supplies and Expense	1,122	1,158
630	Outside Services	21,850	21,130
635	Water Testing	1,579	1,939
641	Rents		
650	Transportation Expenses	8,374	8,374
657	Insurance – General Liability	1,439	1,853
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,093	1,902
403	Depreciation Expense	2,256	2,261
408	Taxes Other Than Income	2,754	2,695
408.11	Property Taxes	3,085	2,866
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 51,693	\$ 49,369
	OPERATING INCOME/(LOSS)	\$ (6,363)	\$ (5,066)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	(77)	(37)
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ (77)	\$ (37)
	NET INCOME/(LOSS)	\$ (6,440)	\$ (5,103)

COMPANY NAME Gadsden Water Company, Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	\$ 0	\$ 0	\$ 0	\$ 0
Amount Outstanding	\$ 0	\$ 0	\$ 0	\$ 0
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A %	N/A %	N/A %	N/A %
Current Year Interest	\$ 0	\$ 0	\$ 0	\$ 0
Current Year Principle	\$ 0	\$ 0	\$ 0	\$ 0

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME Gadsden Water Company, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
14-037	10	300	180	8	2x2	1984

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1	1	
7½	1		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000	1	2,000	1

COMPANY NAME	Gadsden Water Company, Inc.
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WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	CL150	6,949LF
8	CL150	6,403LF
10	CL150	1,173LF
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	186
3/4	
1	
1 1/2	1
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Sentry I Chlorinator

STRUCTURES:

8' X 12' Storage shed

8' X 10' Control shed

OTHER:

COMPANY NAME: Gadsden Water Company, Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	191	1,562,283	1,749
FEBRUARY	191	1,631,151	1,818
MARCH	191	1,836,340	2,024
APRIL	191	1,623,440	1,809
MAY	187	2,234,300	2,417
JUNE	187	1,900,740	2,081
JULY	184	1,442,810	1,621
AUGUST	187	2,503,000	2,684
SEPTEMBER	192	1,887,830	2,067
OCTOBER	192	1,747,780	1,927
NOVEMBER	192	1,444,060	1,621
DECEMBER	192	1,502,070	1,678
TOTAL		NA	23,496

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0 mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Gadsden Water Company, Inc. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 2,866.39

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Gadsden Water Company, Inc.

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(4,277)</u>
Estimated or Actual Federal Tax Liability	<u>Ø</u>

State Taxable Income Reported	<u>(4,277)</u>
Estimated or Actual State Tax Liability	<u>Ø</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>Ø</u>
Amount of Gross-Up Tax Collected	<u>Ø</u>
Total Grossed-Up Contributions/Advances	<u>Ø</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

✓ 
SIGNATURE

✓ 3-25-08
DATE

Jimmy A. Deere
PRINTED NAME

President
TITLE

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

MAR 28 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Jimmy A. Deere, President</u>
COMPANY NAME
<u>Gadsden Water Company, Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 44,303

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 2,756

IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

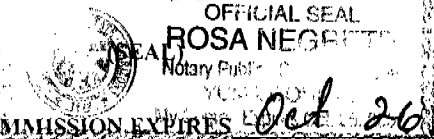
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

25TH

DAY OF



Jimmy A. Deere
SIGNATURE OF OWNER OR OFFICIAL
(928) 344-4222
TELEPHONE NUMBER

COUNTY NAME	<u>YUMA</u>
MONTH	<u>MARCH</u>
	<u>20 05</u>

Rosa Negrete
SIGNATURE OF NOTARY PUBLIC

RECEIVED

MAR 28 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) Yuma	
NAME (OWNER OR OFFICIAL) Jimmy A. Deere	TITLE President
COMPANY NAME Gadsden Water Company, Inc.	

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 35,188

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,359
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL
(928) 344-4222
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

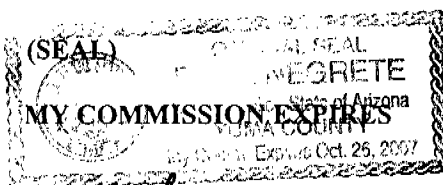
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS


25TH

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH MARCH	, 20 05



X


SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

TREASURER

050404

BANK OF AMERICA
1000 N. 1ST ST.
YUMA, AZ 85364

92426

5240624240

BANK OF AMERICA
1119613314

REV-121

0100133866
1221-0527-8
WELLS FARGO BANK
1221-0527-8

GADSDEN WATER COMPANY
P.O. BOX 519
SOMERTON, AZ 85350

WELLS FARGO BANK ARIZONA, NA
790 W CATALINA DR
YUMA, AZ 85364
91-527/1221

1235

4/29/2004

PAY TO THE ORDER OF KAREN FRITZ COUNTY TREASURER

\$ **1,409.63

One Thousand Four Hundred Nine and 63/100*****

KAREN FRITZ COUNTY TREASURER
410 Maiden Lane Suite C
Yuma, Az. 85364

DOLLARS

MEMO 2nd 1/2 2003 Property Tax

Five - negative

11001235 1221052781 6109601317 0000140963



X
13311 1300000

GADSDEN WATER COMPANY
P.O. BOX 519
SOMERTON, AZ 85350
14781 S. AVE. B
TULSA, AZ 85364
(928) 344-4222

WELLS FARGO BANK ARIZONA, N.A.
www.wellsfargo.com
91-527 / 1221

001292

10282004

PAY TO THE
ORDER OF:

KAREN FRITZ COUNTY TREASURER

****1,456.76**

4.

One Thousand Four Hundred Fifty-Six and 76/100*****

DOLLARS



KAREN FRITZ COUNTY TREASURER
410 Maiden Lane Suite C
Yuma, Az. 85364

MEMO

Bob McQuate
AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

001292 12210528 670960377

929570000